

VZCZCXRO3690
OO RUEHRC
DE RUEHBR #2352/01 3121834
ZNY CCCCC ZZH
O 081834Z NOV 06
FM AMEMBASSY BRASILIA
TO RUEHC/SECSTATE WASHDC IMMEDIATE 7266
INFO RUEHAC/AMEMBASSY ASUNCION 5766
RUEHBO/AMEMBASSY BOGOTA 3992
RUEHBU/AMEMBASSY BUENOS AIRES 4392
RUEHCV/AMEMBASSY CARACAS 3493
RUEHLP/AMEMBASSY LA PAZ 4968
RUEHPE/AMEMBASSY LIMA 3234
RUEHMN/AMEMBASSY MONTEVIDEO 6575
RUEHSG/AMEMBASSY SANTIAGO 5907
RUEHRG/AMCONSUL RECIFE 5801
RUEHRI/AMCONSUL RIO DE JANEIRO 3278
RUEHSO/AMCONSUL SAO PAULO 8539
RUEAIIA/CIA WASHDC
RHEHNSC/NSC WASHDC

C O N F I D E N T I A L SECTION 01 OF 02 BRASILIA 002352

SIPDIS

SIPDIS

E.O. 12958: DECL: 11/07/2016

TAGS: PREL BR

SUBJECT: BRAZIL: AMBASSADOR SOBEL PRESENTS CREDENTIALS TO PRESIDENT LULA, 7 NOVEMBER 2006

Classified By: ACTING DCM DENNIS HEARNE. REASONS: 1.4 (B)(D).

¶1. (C) Summary. Ambassador Sobel, who arrived in Brazil in August, presented his credentials to President Lula da Silva on 7 November, in a ceremony long delayed by Brazil's election campaign season. The 30-minute meeting with Lula was positive and substantive, with warm atmospherics. Prior to the credential ceremony, Lula's chief of staff, Gilberto Carvalho, greeted the Ambassador personally, then later arranged for Mrs. Sobel to enter the meeting room for photos with Lula. Through these gestures and Lula's remarks in the meeting, we received a continuation of the message we have been getting from the GOB since Lula's re-election -- the GOB wants to refocus on and intensify relations with us. Key points of the meeting follow in para 2. End summary.

¶2. (C) Ambassador Sobel, along with ambassadors from Namibia, Vietnam and Mexico, presented credentials on 7 November at Planalto Palace. (Note: Brazil's foreign ministry (MRE) organizes presentation of ambassadorial credentials into groups of four, based on order of arrival in country. End note.) All of the 7 November group had been waiting several months for the credentials ceremony, owing to repeated delays caused by Brazil's presidential election season, which concluded with Lula's re-election victory on 29 October. Each ambassador met separately with Lula, who determined the length of the conversation. Lula conversed with Ambassador for approximately 30 minutes, and was accompanied by Foreign Minister Celso Amorim and Presidential foreign policy advisor Marco Aurelio Garcia. Ambassador was accompanied in the meeting by A/DCM and Management Counselor, and later joined by Mrs. Sobel for photos and to observe conclusion of the ceremony with Ambassador's review of the palace guard. Key points of the meeting with Lula follow below:

--Bio-fuels: Lula led with this and stayed with the subject throughout the first part of the conversation with Ambassador. Lula noted he had discussed bio-fuels extensively with President Bush. Lula stressed Brazil's desire for partnerships with the USG and American firms in this, calling it a transformational technology that could dramatically improve lives throughout the world. Lula noted Brazil is bringing on line a total of 93 distilleries for bio-fuel processing in the next years. Ambassador Sobel confirmed President Bush's keen attention to the issue, and

presented Lula with a photo, autographed by President Bush, from the G-8 St. Petersburg ministerial, where Lula presented information on Brazil's bio-fuels program to the President. Ambassador further explained that the USG continues to organize its interagency to address bio-fuels in a comprehensive policy format, and that Under Secretary Josette Sheeran recently had been given the USG lead on bio-fuels and is anxious to visit Brazil this year.

--Visit to U.S.: Lula noted that he spoken recently with President Bush, who asked him to visit the U.S. Lula expressed a desire to visit soon, though he quipped that he worried about the cold in Washington. Ambassador noted that he also had been in touch with the White House on the visit, and made himself available to Lula and his chief of staff to discuss windows of opportunity and venues.

--Strategic relationship: Lula noted that the GOB wants to send a new ambassador to Washington asap. (Note: Current MRE Under Secretary for Political Affairs Ambassador Antonio de Aguiar Patriota has been presented for agreement vice Ambassador Roberto Abdenur). Lula seemed anxious to convey this as a positive signal. Lula then made a strong and direct declaration: "We intend to take all steps necessary to make clear, beyond any doubt, that the U.S. and Brazil have a strategic relationship." Ambassador welcomed this, and replied that the USG is not concerned with Brazil's "prioritization" of its relations with countries, but rather is focused on "what we can do together." In response, Lula and Amorim simultaneously weighed in to dismiss media speculation that GOB foreign policy priorities remain focused on south-south relations. Lula also noted that he wanted to re-invigorate the working groups established in various areas during his official visit to Washington at the beginning of

BRASILIA 00002352 002 OF 002

his first term.

¶3. (C) Comment: The reception at Planalto and the conversation with Lula could not have been more positive. In the days following Lula's re-election, the signals continue to be clear and persistent that the GOB wants to move more our way in the second term. But we will remain in wait and see mode for now, staying attentive to other developments that would indicate whether this charm offensive translates into a meaningful shift in foreign policy for Brazil.

SOBEL